Gare-Palma IV/1 has been allotted to M/s. Jindal Strips Ltd. for meeting the requirement of coal for their sponge iron plant at Raigarh and two mining sub-blocks namely, Gare-Palma IV/2 and IV/3 have been allotted to M/s. Jindal Power Ltd. as a captive source of supply of coal for their proposed Raigarh TPS (1000 MW) based on the decision of the Screening Committee functioning in the Department of Coal at its meetings held on 3.4.1996 and 3.4.1998 respectively.

(b) and (c) The above blocks were allotted subject to the conditions that the [1] party will take appropriate action for completing necessary formalities for obtaining lease of mining rights from the State Government concerned and also comply with various other commercial/legal requirements. The progress of development of the coal mining block and the associated end-use plant is reviewed by the Screening Committee in its meetings held from time to time, the parties to whom coal mining blocks have been allotted are invariably impressed upon to develop the coal mining block in synchronisation with their end-use plant so that coal mined from the block so allotted is exclusively supplied to the end-use plant in toto and no amount of coal is made use of for commercial sale.

The production in the Gare-Palma IV/1 block has started and the coal so mined therefrom is supplied exclusively for their sponge iron plant. On the request of the party the Government has granted permission under the provisions of the circular No. 13011/8/97-CA datd 1.3.99 for sale of surplus coal fines on three occasions *i.e.* 10.5.2000,21.9.2000 and 6.11.2001.

In the meeting of Screening Committee held on 28.11.2001, the representative of Jindal Power Ltd. informed the Committee that the mining of the coal blocks namely Gare Palma IV/2 & IV/ 3 has not been started and it will be done in synchronisation with the power plant. Mining plan has been approved by Government of India on 25.1.2001. Prior pennission of Government of India for grant of mining lease by the State Government under the provisions of the MMDR Act, 1957 has not yet been sought.

Making loss-making mines viable

1676. SHRI KHAGEN DAS:

SHRI DIPANKAR MUKHERJEE:

Will the Minister of COAL AND MINES be pleased to state:

(a) whether Government's attention has been drawn to the news-item Paswan,

CM agree on mine-revival strategy appearing in the 'Statesmen' dated 6th November, 2001;

(b) whether Central and State Governments are jointly working out a strategy to make the loss-making mines of ECL viable; and

(c) if so, the outline of the strategy to make the loss-making mines in Eastern Coalfields viable?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (SHRI RAVI SHANKAR PRASAD): (a) Yes, Sir.

(b) and (c) Coal India Limited engaged Industrial Credit and Investment Corporation of India (ICICI) in 1997 to prepare a restructuring-cum revival plan for Eastern Coalfields Ltd. The ICICI submitted their final report in January, 2000. Controller General of Accounts (CGA) had expressed reservations about certain observations of ICICI. CGA instead suggested an alternative plan. After a through review, ECL management has drawn up a plan for survival and eventual revival of the company. The broad outline of the proposal is as under:—

(i) No worker will be terminated but if the workers come forward for Voluntary Retirement Scheme, it will be considered.

(ii) The manpower and machines will be re-deployed in such a way that optimal utilisation of men and machines is achieved. In the process, work in some mines may be discontinued.

(iii) Instead of outright purchase of Heavy Earth Moving Machinery (HEMM), these would be taken on lease to work some opencast mines.

(iv) Financial support by CIL/Govt. for meeting liabilities for payment of arrear wages and debt servicing.

(v) Further relief by reduction of cess by the Govt, of West Bengal to the level of royalty in other States.

(vi) Closure of some mines of ECL which have become commercially unviable.

Non-Granting of Mining Lease by State Governments

1677. SHRI C.P. THIRUNAVUKKARASU: Will the Minister of COAL AND MINES be pleased to state: